

Apr 19 05 07:39a

Meyer

480-634-5782

p.2

PANDORA
Jewelry

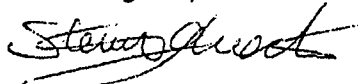
April 12, 2005

Dear Valued Customer,

It has been brought to my attention that the Chamilia sales force has been trying to strong-arm some of our customers into buying their product. It seems to me that this is a last desperate approach in trying to gain some market share. My stores felt bullied a bit when the representative informed them that "all the Pandora accounts" were carrying Chamilia along side Pandora. I would like to assure you that this could not be further from the truth. As you all know, we have an agreement with you to not carry the knock-off companies, as we have outlined in our terms and conditions policy. There is a significant quality and image difference and I believe that you all understand where Pandora is heading in the future. I am writing this letter to inform you of their tactics. If they approach you, you will know where this is coming from. I hope I am not over-analyzing, but due to the fact that two of our stores called us in one day, I felt it important enough to bring it to your attention.

The rest of my sales team and myself are anxious to see you all very soon with all the news and product coming from Pandora in the immediate future. Please call me if you have any questions.

Best Regards,



Steve Glueck

(310) 567-9014

